# CLAIM OF REDERIAKTIEBOLAGET NORDSTJERNAN, A SWEDISH CORPORATION

### COMMUNICATION

FROM

## THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE DE-PARTMENT OF STATE FOR THE EXPENSES OF ARBITRATION BETWEEN THE UNITED STATES AND SWEDEN OF THE CLAIM OF REDERIAKTIEBOLAGET NORDSTJERNAN, A SWEDISH COR-PORATION AMOUNTING TO \$56,000

FEBRUARY 17 (calendar day, February 19), 1931.—Read; referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE, Washington, February 19, 1931.

The President of The Senate.

Sir: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the Department of State for the fiscal year 1932, to be immediately available, amounting to \$56,000, for the expenses of arbitration between the United States and Sweden of the claim of Rederiaktiebolaget Nordstjernan, a Swedish corporation.

The detail of this estimate, the necessity therefor, and the reason for its transmission at this time are set forth in the letter of the Director of the Bureau of the Budget transmitted herewith, with whose com-

ments and observations thereon I concur.

Respectfully,

HERBERT HOOVER.

Bureau of the Budget, Washington, February 19, 1931.

Sir: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the Department of State

Department, for survey for flood control, Salmon River, Alaska, amounting to \$800, as follows:

#### SURVEY FOR FLOOD CONTROL, SALMON RIVER, ALASKA

For survey of the Salmon River, Alaska, with a view to the prevention and control of its floods, as authorized by the act approved January 31, 1931, fiscal year 1931, to remain a vailable until expended (act Jan. 31, 1931, Public No. 582, 71st Cong.).

Supplemental estimate 1931, \$800

The act approved January 31, 1931 (Public No. 582, 71st Cong.), authorizies and directs the Secretary of War to cause a survey to be made of the Salmon River, Alaska, with a view to preparing plans and estimates of the cost of such work as may be necessary for the prevention and control of its floods. The act authorizes an appropriation of \$800 for this purpose.

The purpose of the above supplemental estimate of appropriation is to enable the Secretary of War to comply with the provisions of the above-mentioned act, and is to provide for legislation enacted since the transmission of the budgets for the fiscal years 1931 and 1932.

I recommend that it be transmitted to Congress.

Very respectfully.

J. CLAWSON ROOP, Director of the Bureau of the Budget.

The PRESIDENT.

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Bureau of the Budget, Washington, February 19, 1931.

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Arbitration between the United States and Sweden of the claim of Rederiaktiebolaget Nordstjernan, a Swedish corporation: For the expenses of the arbitration under the special agreement between the United States and Sweden, signed December 17, 1930, of the claim of Rederiaktiebolaget Nordstjernan, a Swedish corporation, arising out of the alleged detention in the United States of two motorships belonging to the corporation, including the share of the United States in the joint expenses of the two governments under the terms of the agreement; honorarium of the arbitrator or arbitrators; compensation of employees in the District of Columbia and elsewhere (without regard to the civil service laws and regulations or to the classification act of 1923, as amended), stenographic reporting and translating services, by contract, if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent in the District of Columbia and elsewhere; traveling expenses and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act); cost of necessary books and documents; stationery; official cards; printing and binding, and such other expenditures as may be authorized by the Secretary of State, and the Secretary of State is authorized to reimburse from this appropriation any other appropriation from which payments may have been made for purposes herein specified, fiscal year 1932, to be immediately available, \$56,000 (submitted).

An agreement was signed at Washington on December 17, 1930, between the United States and Sweden to arbitrate the claims of Rederiaktiebolaget Nordstjernan, a Swedish corporation, for losses said to have been incurred as a result of the alleged detention in ports of the United States, in contravention of provisions of treaties in force between the United States and Sweden, of the motor ship Kronsprins Gustaf Adolf and the motor ship Pacific belonging to said Sweden on January 3, 1931, and by the Senate of the United States on February 14, 1931, and it will, therefore, become effective upon the

exchange of ratifications.

The agreement provides that the claims shall be submitted for decision to a sole arbitrator, or in the event that the two Governments shall be unable to agree upon the selection of a sole arbitrator, they shall proceed to the establishment of a tribunal consisting of three members, one designated by the President of the United States, one by the King of Sweden, and third, who shall preside over the tribunal, selected by mutual agreement of the two Governments. It is further provided that within 90 days from the date of exchange of ratifications of the agreement, the agent for Sweden shall present to the agent for the United States a statement of the facts on which Sweden rests the claim against the United States and the demand for indemnity, and the agent for the United States shall present to the agent for Sweden a statement of facts relied upon by the United States together with evidence in support; that within 60 days from the exchange of statements, each agent shall present an answer to the statement of the other together with any additional evidence and such argument as they desire to submit; that when the record is completed, the two Governments shall forthwith cause to be forwarded to the International Bureau at The Hague for transmission to the arbitrator or arbitrators, as the case may be, three complete sets of the statements, answers, evidence, and arguments presented by the respective agents to each other; that within 30 days from the delivery of the record to the arbitrator or arbitrators the tribunal shall convene at Washington for the purpose of hearing oral arguments by agents or counsel

for each Government; and that the decision of the tribunal shall be made within two months from the date on which the arguments close, unless on request of the tribunal the parties shall agree to

extend the period.

Each Government is to pay the expenses of the presentation and conduct of its case before the tribunal, and all other expenses which by their nature are a charge on both Governments, including the honorarium for the arbitrator or arbitrators, are to be borne by the two Governments in equal moieties. The estimate submitted herewith includes moiety charges of \$18,250 for compensation of three arbitrators and their secretaries, \$5,326 for their travel expenses and subsistence, and \$1,260 for rental of hearing room and offices; and expenses of the American agency, consisting of \$23,860 for salaries of the agent and his staff, \$500 for supplies and materials, \$550 for communication service, \$500 for travel expenses incident to the preparation of the case, \$2,500 for printing and binding, \$1,740 for rental of offices and office equipment, and \$1,514 for miscellaneous items. It is impracticable to state at this time whether there will be three arbitrators or one arbitrator, so that the estimate is necessarily based on the maximum of three.

The foregoing estimate of appropriation is to meet a contingency which has arisen since the transmission of the Budget for the fiscal

year 1932, and its approval is recommended.

Very respectfully,

J. CLAWSON ROOP,
Director of the Burea 1 of the Budget.

The PRESIDENT.

